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MEMORANDUM FOR: Deputy Director (Support)

SUBJECT

Inspector General's Report, Office of
Security, December 1969
Recommendation No. 9

REFERENCE

DDO Memo 2 May 1961 to D/S subject,
IG Rec #9

1. This memorandum suggests action on your part. Such action is requested in paragraph 4.

2. The attached Report on Clearance Processes (I. G. Recommendation No. 9) was prepared by an ad hoc committee of representatives of DDI, DDP, and DRS. The DDS representative was a member of the Office of Security and chairman of the group. In line with the Inspector General's recommendation to reduce or eliminate the many categories of special purpose clearances, it is noted in the attached report that a consolidation of clearances by issuance of the [REDACTED] Manual has been effected and that it is recommended that NSIC develop and establish a similar system for consolidation in its Office. I endorse both of these actions.

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3. In regard to the categories of clearances issued, I strongly feel that basic security clearances for employment or use issued by the Office of Security must be based on appraisal of facts gathered from investigation against the particular use to which the person is to be put and the sensitivity and scope of the information to which he will have access. Clearances should not, I feel, be granted on the basis recommended by the Inspector General; namely, the amount of investigation coverage conducted. This view is also expressed in the Committee Report.

4. I concur in the attached report and recommend its approval.

/ S/

Sheffield Edwards
Director of Security

Attachment as indicated

APPROVAL:

The recommendation in paragraph 4 is approved.

Date

Deputy Director (Support)

Distribution:

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1 - DDP

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1 - IG File

1 - Rec #9

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REPORT OF THE COMMITTEE ON CLEARANCE PROCESSES
(L.G. RECOMMENDATION NO. 9)

BACKGROUND:

1. The Inspector General in his report made after an inspection of the Office of Security, included as Recommendation No. 9 the following:

"The DD/S, in collaboration with the DD/I and DD/P study the possibilities of clarifying the clearance process to reduce or eliminate the many categories of special purpose clearances."

The remarks of the Inspector General pertaining to this recommendation are shown as Attachment A.

2. As a result of this recommendation, a Committee was formed composed of three members, one designated by the DD/P, one by the DD/I, and one by the DD/S, the latter member being the Chairman.

DISCUSSION AND FINDINGS:

3. Basic Types of Clearances: The Committee, upon review of the security clearance program conducted by the Personnel Security Division, Office of Security, found that such Division issues two basic types of security clearances for individuals; namely,

- a. Security Clearance for Employment by CIA;
- b. Security Clearance for Contact or Use (Not Employment) by CIA.

4. Employment by CIA:

a. Security Clearance for Employment by CIA: All positions within the Central Intelligence Agency are classified as "sensitive" under the terms of Executive Order 10450, and accordingly, all persons who are accepted for these positions must have been fully investigated and meet the security criteria established

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under such Executive Order. The investigation of such individuals includes a full field investigation national agency name checks, and a polygraph interview. Persons accepted for employment after such investigation are eligible to receive TOP SECRET information on a "need-to-know" basis.

b. Compartmentation of Information: In our intelligence activities it is necessary to compartment extra sensitive information to the minimum number of employees necessary to effectively and successfully carry out assigned Agency missions. Examples of this information are:

Special Intelligence
Cryptographic Information
NATO, SEATO, CENTO, Information
Restricted Data
DPD and NPIC Type Programs

Although staff employees are cleared for TOP SECRET by the Office of Security, it is necessary for the Agency component primarily concerned to authorize an employee to have access to such extra sensitive information based on a "need-to-know" and a "no objection" certification from the Office of Security. The authorization for access is not granted by the Office of Security but is granted by the components controlling the information. The controlling component briefs the person and requires a signed secrecy agreement. Current records are kept by these components of those employees authorized to have access to their material. Components utilizing or effecting these controls are:

Office of Communications	- CRYPTO	
DPD	- [REDACTED]	25X1A2c
NPIC	- T + KH	
OCT	- SI	
Office of Security	- "Q" Clearance	
Top Secret Control Officer	- NATO, SEATO, CENTO	

In regard to the possibility of consolidating or reducing the number of clearances issued as suggested by the Inspector General it is pointed out that:

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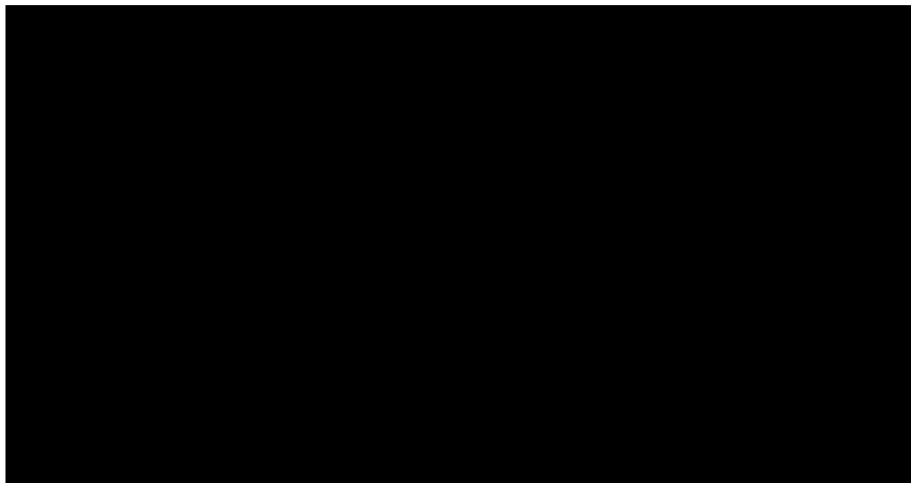
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(1) The issuance of a "Q" Clearance is controlled by AEC as a result of statute and cannot be changed or consolidated with other clearance categories by this Agency;

(2) CRYPTO Clearances are controlled by the Office of Communications under specialized controls;

(3) SI Clearances controlled by OCI within CIA are established thru interdepartmental and NSC Directives which we cannot change;

(4) NATO, SEATO, and CENTO Clearances are issued in accordance with international agreements and therefore, these also cannot be consolidated.



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A. Contact or Use by CIA:

a. Security Clearance for Contact or Use (Not Employment) by CIA: Security Clearances for contact or use of individuals in this category are granted after an appropriate investigation and security appraisal in relation to the intended use of the individual and the degree of classified information that will be made available to the individual. The investigation is not as broad as that for an employee, does not ordinarily include a polygraph interview, and ranges from name traces to a full field investigation based on proposed use

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of the individual. Examples in this category are the char force, maintenance personnel, persons working under classified contracts, persons contacted for recruitment purposes and sources of intelligence information in the United States.

b. Contact or Use of Individuals - Compartmentation:

The component of the Agency desiring to contact or use an individual must in his request for clearance to the Office of Security indicate the degree of classification of material to be made available to the individual, the nature of the duties to be performed, and the frequency with which he will require access to the highest classification of information involved. Clearances are granted for specific uses and circumstances which effect compartmentation of information as needed. The Committee noted that the procedure of the Personnel Security Division, in appraising and approving a person for a particular use, serves two purposes:

(1) It assures that all information available denotes that there are no factors which would make it appear that it would be unwise to use a person for specified duties.

(2) Coordination is effected which would avoid possible conflict resulting from different uses which two or more Agency components might intend to make of a person. Under present practices, the requesting component indicates the reason it wishes to approach a given person and his file is reviewed. If it appears that another component is already using the person, the Personnel Security Division determines from that component whether the second contact would be in order.

6. Briefing of Appraisers: The Committee was advised that the Director of Security had recently issued instructions to the effect that the Senior Staff Officers of the Personnel Security Division would be

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briefed on the different special projects maintaining special controls as described above. This will insure that they are cognizant of the activities involved and are in a better position to evaluate the information concerning a person against the duties to be performed and the sensitivity of the material to which he would have access. Although the Director of Security took this action independent of any advice from the Committee or any of its members, at one of its earlier meetings the members agreed that this would be most desirable and that it would be included as one of the recommendations of the Committee.

7. "Bigot List:" It was noted that the Inspector General in paragraph 3 of his comments (Attachment A) makes reference to the "bigot list" as a valuable tool in maintaining operational security and one which should be used as an exception to the suggested consolidation of special purpose clearances. The Committee made inquiry regarding the "bigot list" and was advised that this was a term used by the military during World War II. It included the names of those who, by virtue of their duties, might require knowledge of all sensitive projects and who had been checked out for unquestioned loyalty and honesty. Hence, if a person's name were on this list, no additional checks were made of his file regardless of the nature of additional sensitive information to be given him or the duties to be assigned to him. This procedure was followed whether or not it meant access to new and sensitive projects and activities which were not even contemplated at the time his name was originally placed on the "bigot list." Insofar as is known to the Committee, no "bigot list" as defined above has ever been used in CIA. However, it would appear that the Inspector General may have had in mind that a determination of eligibility by the Personnel Security Division for any one of the sensitive activities, such as DPD or NPIC, would automatically denote eligibility for the others without additional examination of his file or any other action on the part of the Personnel Security Division.

8. Clearances Categorized Based on Investigation: After a thorough review of Personnel Security Division operations, the Committee does not agree with the L. G.'s suggestion that clearances be categorized based on the extent of investigation. The Committee feels that clearance categories should be based on use of the individuals as is presently the case. The use determines the scope of investigation and appraisal.

9. Central Records: The Committee was advised that the Director of Security recently directed that there be one central place in the Office of Security which would show all sensitive activities for which a person has been approved for access by the sponsoring component. The Committee

feels that in this connection the Office of Security should consider the use of a plan worked up by the DD/I member of the Committee, which shows how data pertaining to security approvals could be placed on IBM cards which would give in compact form much of the information desired with respect to a particular person (See attachment B).

CONCLUSIONS:

10. The issuance of the [REDACTED] Manual which consolidates four clearances into one will be of benefit and it is felt the same or a similar consolidation process should be effected in NPIC. 25X1A2c

11. The appraisal of a person for given duties is most desirable and should be continued, rather than the establishment of a small number of "clearances," which would automatically determine the level of information to which an individual would be granted access. In addition, no individual should be considered as having automatic access to all sensitive information and projects, regardless of the extent of previous appraisals.

12. The Office of Security issues two basic types of security clearances based on employment and use and it is not felt desirable or advisable to reduce this number further.

13. The instruction of the Director of Security that Senior Staff Officers of the Personnel Security Division are to be briefed on special projects is endorsed. This action is necessary if these officers are to evaluate properly information concerning persons to be given access to such projects.

14. The establishment by the Director of Security of a central file in the Office of Security showing all sensitive activities for which a person has been cleared is endorsed with the following understanding:

a. This central file is maintained primarily for the internal needs of the Office of Security;

b. It will serve as a central record check point for only senior officials of the Agency where such officials have need of information to meet their own responsibilities; and

c. The file would not necessarily include a complete listing of sensitive DD/P projects and a check of the file will, therefore, not necessarily reflect all such projects for which a particular employee or former employee had been cleared.

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RECOMMENDATIONS:

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15. That NPIC develop and install a system for clearances similar to the [REDACTED] system of DPD.

16. That there be no change in the practice of the Personnel Security Division issuing security clearances by appraising the facts gathered from investigation and other sources against the particular use to which the person is to be put and the sensitivity and scope of the information to which he will have access, as compared to the suggestion by the Inspector General to categorize clearances based on the amount of investigative coverage conducted.

17. That the Office of Security continue the issuance of two types of basic security clearances, namely, for "employment" and "contact and/or use."

18. That the Committee recommends against any change which would result in the use of a "bigot list" such as was maintained by the military or adopting any other blanket or automatic approval of persons for use on sensitive duties on the basis of the extent of investigation and/or a standard appraisal process.

19. That with the approval of this report it be considered that Recommendation No. 9 of the Inspector General has been complied with to the extent feasible.

SIGNED

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[REDACTED] DD/P Member of Committee

SIGNED

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[REDACTED] DD/I Member of Committee

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[REDACTED] DD/S Member of Committee (Chairman)

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ATTACHMENT A

D. Other Clearances

1. In addition to clearances for staff employees the Personnel Security Division processes a wide variety of limited or special purpose clearances. These include such categories as employees of **GENIC**, **[REDACTED]** **USA** guards and other forces, contractors, consultants and temporary employees. Some of these are not clearances in the true sense of the word but simply means of limiting access to specified areas.

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2. The Division also supports other Agency components desiring clearances and certifications or information. The actions include SI clearance, cryptographic clearance, **[REDACTED]** 25X1A2g clearance, Top Secret control designees, State Department and CIA certification, classified contract and contact, citizen and alien contact and "Q" clearance processing. This proliferation of special purpose clearances contributes to increased security hazards in view of the commonly loose use of the term "cleared". Categories of clearances are necessary but it should be possible to develop broader categories and fewer of them. Categories based on the extent of investigation and approval may be a practical approach. The lowest level of clearance would involve only an indices check; the next higher level, a full or partial background investigation but not polygraph; the top level, full background investigation including eligibility for SI clearance. Perhaps four or five levels of clearance could incorporate

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all the present special purpose clearances. Such levels would be easily understood and would clearly indicate the extent to which the holder would be authorized to receive classified or sensitive information.

8. Exceptions to the suggested consolidation of special purpose clearances probably should be continued. To have in mind, for example, the "bigot list" commonly used to limit knowledge of unusually sensitive operational activities. Actually this is a control mechanism rather than a clearance and when properly used is a valuable tool in maintaining operational security.

Recommendation No. 9:

The DD/S, in collaboration with the DD/I and DD/P, study the possibilities of clarifying the clearance process to reduce or eliminate the many categories of special purpose clearances.

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ATTACHMENT B

SUGGESTED PLAN FOR USE OF IBM CARDS

As shown on the attached, a number or code would be used to designate the different items of interest to the Personnel Security Division, which could be placed on IBM cards.

Item A. shows the 17 different types of persons in whom the Agency has an interest.

Item B. shows the component of the Agency in which the person works, if employed by CIA.

Item C. shows the 14 different offices which ordinarily ask for approval to give classified information to a prospective employee, a consultant, a contractor, or others, or to contact a person.

Item D. shows the investigation or other action taken with respect to gathering information upon which to base a decision.

Item E. shows the three different types of classified information to which the person will be exposed, as well as the contacting of a person without giving any classified information and the category of those who may inadvertently be given access to classified information.

Item F. shows the approvals for access to special projects or sensitive material.

Thus, if the card of JOHN DOE showed the following:

A	B	C	D	E	F
1	1	1	1-2-3- 4-5	5	1-3

it would indicate that JOHN DOE was a staff employee, that he worked in DD/3/OL, that the Office of Personnel had requested his security

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processing, that investigative coverage had included a check of [REDACTED], a National Agency Check, a background investigation, a polygraph, and that the question of foreign relatives had been resolved, that he had been approved for use on duties involving access to material through TOP SECRET, and access approval from the appropriate component to SI and CRYPTO.

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A. Type of Person

1. Staff Employee
2. Assignee Employee
3. Consultant Employee
4. Contract Employee
5. Associate Employee
- 5 a. Provisional Employee
6. GSA - Guard
7. GSA - Char Force
8. GSA - Maintenance
9. Invitational Candidate
10. Field Recruitment Spotter
11. [REDACTED]
12. CENIS
13. Alien Contact in U. S.
14. U. S. Citizen Contact in U. S.
15. Project [REDACTED]
16. Other U. S. Government Employees
17. Contractors

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B. Agency Component, If Agency Employee

1. OL
2. DBP, etc.

C. Sponsor

1. OP
2. OS
3. OO/[REDACTED]
4. OO/C
5. OCB/LD
6. Int'l. Communism Staff
7. MS
8. OGC
9. Comptroller
10. OC
11. OL
12. TSD
13. OSI/DDI
14. ORR/DDI

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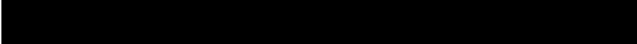
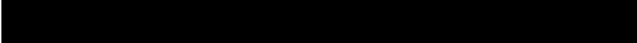

D. Investigation

1. OS/Indices
2. NAC
3. BI
4. Poly
5. Source R
6. Foreign Relatives
7. Verification from Parent Agency

E. Level of Classified Info Exposed to

1. None
2. Periodic Inadvertent
3. Conf
4. Secret
5. Top Secret

F. Access to Sensitive Material

1. SI
2. Q
3. CRYPTO
4. 
5. 
6. 
7. 

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